

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO *et al.*,

Debtors.¹

----- X
:
:
:
: PROMESA
: Title III
:
: Case No. 17-BK-3283 (LTS)
:
: (Jointly Administered)
:
:
----- X

**URGENT JOINT MOTION OF OFFICIAL COMMITTEE OF UNSECURED
CREDITORS, FINANCIAL OVERSIGHT AND MANAGEMENT BOARD, AND
ITS SPECIAL CLAIMS COMMITTEE, TO FURTHER EXTEND BRIEFING
SCHEDULE WITH RESPECT TO POTENTIAL MOTION BY OFFICIAL
COMMITTEE OF UNSECURED CREDITORS SEEKING APPOINTMENT OF
TRUSTEE TO PURSUE CAUSES OF ACTION**

To the Honorable United States District Judge Laura Taylor Swain:

The Official Committee of Unsecured Creditors of All Title III Debtors (other than COFINA) (the “Committee”), Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”), and the Special Claims Committee of the Oversight Board (the “Special Claims Committee” and, together with the Oversight Board and the Committee, the “Movants”), respectfully submit this urgent joint motion (the “Urgent Motion”) for entry of an order substantially in the form attached hereto as **Exhibit A**, further extending the briefing schedule

¹ The Debtors in these Title III cases, along with each Debtor’s respective Title III case number listed as a bankruptcy case number due to software limitations and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17-BK-3283 (LTS)) (Last Four Digits of Federal Tax ID: 3481), (ii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17-BK-3566 (LTS)) (Last Four Digits of Federal Tax ID: 9686), (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17-BK-3567 (LTS)) (Last Four Digits of Federal Tax ID: 3808), (iv) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17-BK-3284 (LTS)) (Last Four Digits of Federal Tax ID: 8474), and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17-4780 (LTS)) (Last Four Digits of Federal Tax ID: 3747).

under this Court's March 29, 2019 order [Docket No. 6086] (the "Procedures Order").² In support of this Urgent Motion, the Movants respectfully state as follows:

RELIEF REQUESTED

1. Under the Procedures Order, the Court, among other things, required the Oversight Board to disclose to the Committee by April 5, 2019 a preliminary list of potential causes of action that the Oversight Board would, in the absence of appropriate tolling agreements, pursue on behalf of the Commonwealth, directed the parties to meet and confer regarding the contents of such preliminary list and anticipated allocation of litigation responsibilities, and required the Oversight Board to disclose to the Committee by April 10, 2019, the final list of potential defendants against which the Oversight Board will pursue causes of action related to the Commonwealth or from which the Oversight Board will obtain tolling agreements. The Procedures Order also sets forth a briefing schedule with respect to a Section 926 Motion (if necessary) to be filed by the Committee with respect to causes of action related to the Commonwealth.

2. Following the Oversight Board's disclosure of its preliminary list on April 5, 2019, the Movants met and conferred extensively to discuss, among other things, the Debtors' potential causes of actions against certain parties and the allocation of litigation responsibilities.

3. On April 10, 2019, the Movants requested [Docket No. 6170], and the Court granted [Docket No. 6172], an extension of the briefing schedule with respect to a Section 926 Motion, in order to allow the parties to continue the meet and confer process.

4. In order to allow the parties to continue the meet and confer process, and potentially reach agreement on a framework to pursue the Debtors' potential causes of action,

² Capitalized terms not defined in this Urgent Motion have the meanings set forth in the Procedures Order.

thereby obviating the need for any Section 926 Motion, the Movants request that the briefing schedule with respect to a Section 926 Motion seeking the appointment of a trustee to assert Commonwealth-related causes of action be revised as follows:

	Current Date	Proposed Date
Deadline for Committee to file Section 926 Motion	April 15, 2019 at 9:30 a.m. (Atlantic Standard Time)	April 16, 2019 at 9:30 a.m. (Atlantic Standard Time)
Deadline for Oversight Board to file opposition to Section 926 Motion	April 18, 2019 at 9:30 a.m. (Atlantic Standard Time)	April 19, 2019 at 9:30 a.m. (Atlantic Standard Time)
Deadline for Committee to file reply in further support of Section 926 Motion	April 22, 2019 at 3:00 p.m. (Atlantic Standard Time)	April 23, 2019 at 9:30 a.m. (Atlantic Standard Time)
Joint Status Report (incl. proposed deadlines for disclosure of Avoidance Actions and Section 926 Motion practice in connection with other Debtors)	Oral presentation at the April 24, 2019 omnibus hearing	unchanged
Hearing on Section 926 Motion	April 24, 2019 at 9:30 a.m. (Atlantic Standard Time)	unchanged

5. Pursuant to Paragraph I.H of the Case Management Procedures, the Committee and the Oversight Board hereby certify that they have carefully examined the matter and concluded that there is a true need for an urgent motion; have not created the urgency through any lack of due diligence; have made a bona fide effort to resolve the matter without a hearing; and have made reasonable, good-faith communications in an effort to resolve or narrow the issues that are being brought to the Court.

NOTICE

6. Notice of this Urgent Motion has been provided to the following entities, or their counsel, if known: (i) the U.S. Trustee; (ii) the Office of the United State Attorney for the District of Puerto Rico; (iii) AAFAF; (iv) the official committee of retirees; (v) the insurers of the bonds issued or guaranteed by the Debtors; (vi) counsel to certain ad hoc groups of holders of bonds issued or guaranteed by the Debtors; and (vii) all parties that have filed a notice of appearance in the above-captioned Title III cases.

NO PRIOR REQUEST

7. No previous request for the relief requested herein has been made to this or any other court.

[Remainder of page intentionally left blank.]

WHEREFORE, the movants respectfully request the Court to the proposed order, substantially in the form attached hereto as **Exhibit A**, and grant the movants such other relief as is just and proper.

Dated: April 12, 2019

By: /s/ Luc A. Despins

PAUL HASTINGS LLP

Luc. A. Despins, Esq. (*Pro Hac Vice*)
James R. Bliss, Esq. (*Pro Hac Vice*)
James B. Worthington, Esq. (*Pro Hac Vice*)
G. Alexander Bongartz, Esq. (*Pro Hac Vice*)
200 Park Avenue
New York, New York 10166
Telephone: (212) 318-6000
lucdespins@paulhastings.com
jamesbliss@paulhastings.com
jamesworthington@paulhastings.com
alexbongartz@paulhastings.com

Counsel to the Official Committee of Unsecured Creditors

By: /s/ Juan J. Casillas Ayala

CASILLAS, SANTIAGO & TORRES LLC

Juan J. Casillas Ayala, Esq., USDC - PR 218312
Diana M. Batlle-Barasorda, Esq., USDC - PR 213103
Alberto J. E. Añeses Negrón, Esq., USDC - PR 302710
Ericka C. Montull-Novoa, Esq., USDC - PR 230601
El Caribe Office Building
53 Palmeras Street, Ste. 1601
San Juan, Puerto Rico 00901-2419
Telephone: (787) 523-3434
jcasillas@cstlawpr.com
dbatlle@cstlawpr.com
aaneses@cstlawpr.com
emontull@cstlawpr.com

Local Counsel to the Official Committee of Unsecured Creditors

By: /s/ Brian S. Rosen

Martin J. Bienenstock
Brian S. Rosen
Jeffrey W. Levitan
(*Pro Hac Vice*)
PROSKAUER ROSE LLP
Eleven Times Square
New York, NY 10036
Tel: (212) 969-3000
Fax: (212) 969-2900

*Attorneys for the Financial Oversight and Management
Board for Puerto Rico as representative for the Debtors*

By: /s/ Hermann D. Bauer

Hermann D. Bauer
O'NEILL & BORGES LLC
250 Muñoz Rivera Ave., Suite 800
San Juan, PR 00918-1813
Tel: (787) 764-8181
Fax: (787) 753-8944

*Co-Attorneys for the Financial Oversight and
Management Board for Puerto Rico as representative
for the Debtors*

By: /s/ Edward S. Weisfelner

BROWN RUDNICK LLP

Edward S. Weisfelner, Esq. (*Pro Hac Vice*)
Angela M. Papalaskaris, Esq. (*Pro Hac Vice*)
Justin S. Weddle, Esq. (*Pro Hac Vice*)
Seven Times Square
New York, NY 10036
Tel: (212) 209-4800
eweisfelner@brownrudnick.com
apapalaskaris@brownrudnick.com
jweddle@brownrudnick.com

Stephen A. Best, Esq. (*Pro Hac Vice*)
601 Thirteenth Street NW, Suite 600
Washington, D.C. 20005
sbest@brownrudnick.com

Sunni P. Beville, Esq. (*Pro Hac Vice*)
One Financial Center
Boston, MA 02111
Tel: (617) 856-8200
sbeville@brownrudnick.com

Counsel to the Special Claims Committee

and

By: /s/ Alberto Estrella

ESTRELLA, LLC

Alberto Estrella (USDC-PR 209804)
Kenneth C. Suria (USDC-PR 213302)
P. O. Box 9023596
San Juan, Puerto Rico 00902-3596
Tel.: (787) 977-5050
Fax: (787) 977-5090

Local Counsel to the Special Claims Committee